

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

H.B. 729  
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30241-TQxf-29

Short Title: Farmland Protection Act.

(Public)

Sponsors: Representative Dixon.

Referred to:

A BILL TO BE ENTITLED  
AN ACT TO CHANGE THE PROPERTY TAX EXCLUSION FOR SOLAR ENERGY  
ELECTRIC SYSTEMS, TO PROHIBIT THE CONSTRUCTION OF NEW  
UTILITY-SCALE SOLAR FACILITIES THAT ARE NOT QUALIFYING FACILITIES  
UNDER PURPA, AND TO REQUIRE FINANCIAL ASSURANCE FOR EXISTING  
SOLAR ENERGY FACILITIES.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** G.S. 105-275(45) reads as rewritten:

**"§ 105-275. Property classified and excluded from the tax base.**

The following classes of property are designated special classes under Article V, Sec. 2(2),  
of the North Carolina Constitution and are excluded from tax:

...

(45) ~~Eighty percent (80%)~~ Forty percent (40%) of the appraised value of a solar  
energy electric system. For purposes of this subdivision, the term "solar  
energy electric system" means all equipment used directly and exclusively for  
the conversion of solar energy to electricity."

**SECTION 1.(b)** This section becomes effective July 1, 2025, and applies to taxes  
imposed for taxable years beginning on or after that date.

**SECTION 2.(a)** G.S. 62-110.1 is amended by adding a new subsection to read:

"(a1) The Commission shall not issue a certificate of public convenience and necessity for  
a utility-scale solar project, as defined in G.S. 130A-309.240(a)(6), that is not a qualifying small  
power production facility under the federal Public Utility Regulatory Policy Act, as defined in  
18 C.F.R. § 292.203(a), unless the utility-scale solar project is to be sited on property meeting  
any of the following criteria:

(1) The property is a brownfields property as defined in G.S. 130A-310.31, and  
the developer of the project enters into a brownfields agreement with the  
Department of Environmental Quality pursuant to G.S. 130A-310.32.

(2) The property is not currently being used for agricultural or horticultural  
production.

(3) The property is timberland that has been clear-cut harvested and is not in  
production at the time of application."

**SECTION 2.(b)** This section is effective when it becomes law and applies to  
applications for a certificate of public convenience and necessity for a utility-scale solar project  
received on or after that date.

**SECTION 3.** Section 4 of S.L. 2023-58 reads as rewritten:

**"SECTION 4.** This act becomes effective as follows:



\* D R H 3 0 2 4 1 - T Q X F - 2 9 \*

- (1) Section 2(a) of this act is effective when it becomes law, except as follows:
- a. The requirements for decommissioning and registration established under G.S. 130A-309.240(b) and (e), respectively, as enacted by Section 2(a) of this act, become effective November 1, 2025, and apply to utility-scale solar projects constructed prior to or after that date. The owner of a utility-scale solar project shall register with the Department as follows: (i) by November 1, 2025, or at least 90 days prior to the commencement of construction of the project if the project is constructed after November 1, 2025; and (ii) at least 90 days prior to commencement of rebuild or expansion of a utility-scale solar project.
- b. The requirements for submittal of a decommissioning plan and financial assurance established under G.S. 130A-309.240(c) and (d), respectively, as enacted by Section 2(a) of this act, become effective November 1, 2025, December 1, 2026, and shall ~~only~~ apply to ~~(i) utility scale solar projects for which applications for certificates of public convenience and necessity are pending or submitted on or after the effective date of this act and (ii) utility scale solar projects that are generating solar energy or are interconnected to a transmission facility on the date this act becomes effective, only if the project is rebuilt or expanded, as those terms are defined by G.S. 130A-309.240(a)(2) and (a)(4), after the effective date of this act, in which case the project shall be subject to the requirements of G.S. 130A-309.240(e) and (d).~~ utility-scale solar projects constructed prior to or after that date. The owner of a utility-scale solar project shall submit a decommissioning plan and establish financial assurance ~~(i) by November 1, 2025, or prior to commencement of construction of the project if the project is constructed after November 1, 2025, and (ii) prior to commencement of rebuild or expansion of a utility scale solar project by December 1, 2026.~~
- (2) The remainder of this act is effective when it becomes law."

**SECTION 4.** Except as otherwise provided, this act is effective when it becomes

law.